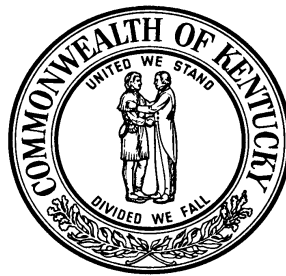


**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE
MARTIN COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period
July 1, 2009 Through June 30, 2010**



**CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS
www.auditor.ky.gov**

**209 ST. CLAIRE STREET
FRANKFORT, KY 40601
TELEPHONE (502) 564-5841
FACSIMILE (502) 564-3094**



CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS

Independent Accountant's Report

Jonathan Miller, Secretary, Finance and Administration Cabinet
The Honorable Bobby E. Hale, Jr.
Martin County Property Valuation Administrator
Inez, Kentucky 41224

We have performed the procedures enumerated below, which were agreed to by the Martin County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period July 1, 2009 through June 30, 2010. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Martin County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (June 30, 2010), for all bank accounts, to determine if amounts are accurate.

Finding -

The PVA maintains a receipts and disbursements ledger and reconciles bank records to books each month. We have re-performed the year-end bank reconciliation for all bank accounts. Accounts appear accurate. No exceptions were noted.

2. Procedure -

Confirm any and all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

Recorded city receipts agreed to amounts confirmed from the City of Inez and the City of Warfield. No exceptions were noted.



Jonathan Miller, Secretary, Finance and Administration Cabinet
The Honorable Bobby E. Hale, Jr.
Martin County Property Valuation Administrator
(Continued)

3. Procedure -

Confirm any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

The PVA's recorded fiscal court receipts agree to the payments made by the fiscal court. Payments made by the fiscal court agree to the legally required amounts calculated by the Department of Revenue plus an additional \$4,600. No exceptions were noted.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (if any) to determine if expenditures are for official business.

Finding -

Disbursements selected from the ledger agreed to cancelled checks and included supporting documentation. Expenditures were for official business. The PVA did not have a credit card. No exceptions were noted.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding -

No capital outlay disbursements occurred during the period of July 1, 2009 through July 31, 2010.

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

The PVA had one service contract for copier maintenance that is paid in full. The service contract was appropriate, for official business and properly approved. No additional testing was required.

Jonathan Miller, Secretary, Finance and Administration Cabinet
The Honorable Bobby E. Hale, Jr.
Martin County Property Valuation Administrator
(Continued)

7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding -

The PVA did not overspend the budget in any account series. No exceptions were noted.

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if a collateral agreement exists.

Finding -

Collateral was not necessary for the PVA's funds. No additional testing was required.

9. Procedure -

Determine whether timesheets are completed, maintained, approved, and support hours worked.

Finding -

Timesheets were completed, maintained, approved, and support hours worked. No exceptions were noted.

10. Procedure -

Determine whether cash balances were properly transferred from former PVA to new PVA.

Finding -

This procedure is not necessary since there was not a change in PVA.

11. Procedure -

For newly hired employees, during July 1, 2009 through June 30, 2010, of the PVA office determine if the Ethics Certification Form has been completed and is on file.

Finding -

There were no newly hired employees. No additional testing was required.

Jonathan Miller, Secretary, Finance and Administration Cabinet
The Honorable Bobby E. Hale, Jr.
Martin County Property Valuation Administrator
(Continued)

12. Procedure -

Determine if the PVA's office was closed any day other than the state's approved holidays. If so, determine if the proper procedures and forms were completed.

Finding -

The PVA maintained appropriate documentation for days the office was closed other than state approved holidays. No exceptions were noted.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", with a long horizontal flourish extending to the right.

Crit Luallen
Auditor of Public Accounts

March 21, 2011